bomrtKn in USA and some unknown ofiicers of the Bank and private parties, misused hi* , UKci&l position and granted various credit Cscflities by exceeding his delegated authority and without making required credit assessment inclduing pre-sanction inspection/post-sanction inspection. Further, the financial statist o{ the borrowers was also not ascertained.

(e) The High Level Committee set up by Reserve Bank of India, at the instance of Government of India to enquire into various aspects relating to frauds and malpra&ices in banks, have made a number of recommendations in regard to checking incidence of frauds, in advances portfolio of the banks.The Banks hav* been advised to implement me recommendations of the Committee hi* mis regard which interalia, call for obtaining adequate and comparative financial statements, details of (he project, confidential reports on the borrowers and proper appraisal of the loan proposals before sanctioning the credit facilities.

The Bank* have also been advised to set up Internal Loan* Review Department to evaluate the quality of credit portfolio and report on the health portfolio directly to the Board at periodical intervals.

The Banklfhave been advised to lay stress on the technical competence of the official* in evaluating the loan proposals.

**News koon regarding eplusa wher**

5418. SHRI PRAMOD MAHAJAN: WiB me Minister of FINANCE be pleased ta state:

(a) whether *t* Govern~~m~~ent'* attention has been drawn towards a news item under the caption 'opium war* published in Sunday, the 27th March, 1994; and

(b) if so, what step* Government are taking against this onslaught of Pakistan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Tfea, Sir.

(b) Some of the steps taken by the Government to curb drug trafficking are as under :—

1. All law enforcement agencies under the Central and State Governments haw been instructed tp maintain utmost vigil against trafficking of drugs from across *he Indo-Pak border.

2 Specialised training is being imparted to fold officers to improve their capabilities of combating drug trafficking

3. Vehicles and equipments procured under UNDCP assistance programme have bee^R provided to enforcement agencies operating on the border areas.

4. A part of Indo-Pak border has been fenced.

5. Field level contact points in all Centra) and State Government enforcement agencies have been established to promote interagency cooperation in enforcement work. ,

6. Coordination meetings are being held regularly at the Central and State levels to review the working of enforcement agencies and-to exchange intelligence on drug trafficking.

7. BSF and the Const Guard who are deployed on the land and coastal border h«w been vested with *tin* powers undet the Customs Act to interdict narcotic drugs in addition to the Central and State Government enforcement agencies empowered under NDPS Act

**Arpotataseat of Aadltors tor PafcSc Sector Banks**

3419. SHRI B. K. HARIPRASAD. Will the Minister of FINANCE be pleased to sure:

(a) whether it is a fact that the Reserve Bank of India's rules and requlationa regarding appointment of Central Statutory auditor* for public ssstor banks are being flouted by linns of Chartered Accountants ?

(b) whether such appointment are made on the sole criterion that there should be at least four partners in such a firm;

(c) whether Government are aware that such firm*, apart from meeting the 'quantum of partners' criterion, do not have the requisite